

FILED
SECRETARY OF STATE
SAM REED

MARCH 23, 2005

STATE OF WASHINGTON

D /2005 579084
\$40.00 Check #515036
Tracking ID: 867807
Doc No: 579084-002

Filed w/
AND

**SECOND RESTATED
ARTICLES OF INCORPORATION**

OF

KCTS TELEVISION

A NONPROFIT CORPORATION

03/23/2005 588975
\$0.00 Document
Only
Tracking ID: 867807
Doc No: 588975-002

The following Second Restated Articles of Incorporation are a true and correct restatement, without change, of the Articles of Incorporation of KCTS Television, as amended and restated, and supersede the original and Restated Articles of Incorporation of KCTS Television, as amended and restated. The date of adoption by the Board of Directors was Feb 9, 2005, 2005.

Name

The name of this corporation is KCTS Television.

ARTICLE II

Duration

The corporation shall have perpetual existence.

ARTICLE III

Purposes

The purposes for which this corporation, a nonprofit charitable organization, is formed are:

1. To operate for charitable, scientific and educational purposes by owning and operating KCTS, a public nonprofit television station licensed by the Federal Communications Commission.
2. To engage in any other lawful activity whatsoever which may hereafter from time to time be authorized by the Board of Directors; provided, however, that the purposes for which the corporation is formed shall at all times comply with Section 501(c) (3) or any successor provision of the Internal Revenue Code of 1986, as now or hereafter amended (the "Code").
3. To hold licenses (including broadcast licenses) or certificates of convenience and necessity issued by the Federal Communications Commission and to operate the facilities so licensed or certified.

ARTICLE IV

Powers

This corporation shall have the power to do all lawful acts or things necessary, appropriate, or desirable to carry out and in furtherance of its purposes and consistent with the Washington Nonprofit Corporation Act and Section 501(c)(3) of the Code or any successor provision of the Code.

ARTICLE V

Influence Legislation

No substantial part of the activities of this corporation shall be devoted to attempting to influence legislation by propaganda or otherwise, and the corporation shall not participate in, or intervene in (including the publication or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

ARTICLE VI

Registered Office

The address of the registered office of this corporation is National Corporate Research LTD, 1780 Barnes Boulevard SW, Tumwater, Washington 98512-0410.

ARTICLE VII

Board of Directors

The management of this corporation shall be vested in a Board of Directors. The number of directors, and the method of selecting directors, shall be fixed by the Bylaws of this corporation; provided, that the initial directors were ten (10) in number and their names and addresses were:

Name	Address
James Collier	University of Washington AI-10 Seattle, WA 98195
Paul Friedlander	510 Pike Street Seattle, WA 98101
Gerald E. D. Hobbs	1112 West Pender Street Vancouver, B.C. V6E 2S1
Don Kraft	200 - 1 st West Seattle, WA 98119
Dr. David Moberly	1411 Fourth Ave. Bldg., #1521 Seattle, WA 98101
Barbara Rae	P.O. Box 49292 1053 Dunsmuir Vancouver, B.C. V7X 1L3

Kenneth Solid

1301 Fifth Avenue, #3229
Seattle, WA 98101

Paul W. Steere

2100 Bank of California Center
Seattle, WA 98154

Jane Williams

5135 NE Latimer Place
Seattle, WA 98105

Harold Kawaguchi

Physio-Control Corporation
11811 Willows Road
Redmond, WA 98052

So long as the KYVE-KCTS Merger Agreement is in force and effect, the KYVE Advisory Board shall have the right to nominate two (2) persons to fill two (2) positions on the KCTS Television Board of Directors. The directors shall be nominated as set forth in the Bylaws.

The initial directors shall serve until the first organizational meeting of the Board of Directors and until their successors are appointed and qualified as set forth in the Bylaws of this Corporation.

Any director may be removed, with or without cause, by the affirmative vote of two-thirds (2/3) of the Board of Directors at any regular or special meeting; provided, however, that written notice of such proposed removal shall be given to the director proposed to be removed not less than three (3) days prior to the meeting at which such proposal will be presented to the Board of Directors. Any director may present a proposal for removal to the Board of Directors.

ARTICLE VIII

Members

The Corporation shall have no members.

ARTICLE IX

Bylaws

The Board of Directors is authorized to make, alter, amend, restate or repeal the Bylaws of this corporation.

ARTICLE X

Limitations

As required by Section 501(c)(3) or any successor provision of the Code, no part of the assets or net earnings of this corporation shall inure in whole or in part to the benefit of, or be distributable to, any officer, director, or other individual having a personal or private interest in the activities of the corporation, or to any person or organization other than an organization

which is exempt from federal income taxation under Sections 501(a) and 501(c)(3) of the Code, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered, to make reimbursement for reasonable expenses incurred in its behalf, and to make payments and distributions in furtherance of the purposes stated in Article III. Furthermore, the corporation shall make no loans to any officers, directors or other individuals having a personal or private interest in the activities of the corporation for any purpose whatsoever. Notwithstanding any other provision of these Articles, this corporation shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under Section 501(c)(3), or (b) by a corporation the contributions to which are deductible under Section 170(c)(2) of the Code.

ARTICLE XI

Distributions upon Dissolution

Upon any dissolution of this corporation under provisions of the laws of the State of Washington for nonprofit corporations, all of its assets remaining after payment of creditors shall be distributed to the holder of the Federal Communications Commission license to operate KCTS, if and only if such holder is other than this corporation, is qualified to receive distributions from an exempt organization under Sections 501(a) and 501(c)(3) or any successor provisions of the Code and is willing and able to accept such distribution; otherwise such assets shall be distributed to one or more organizations selected by the Board of Directors which are qualified as exempt from taxation under the provisions of Sections 501(a) and 501(c)(3) of the Code, or any successor statutes. In no event shall any of the corporation's assets be distributed to the officers, directors, or other individuals having a personal or private interest in the activities of the corporation.

ARTICLE XII

Private Foundation

If this corporation becomes a private foundation within the meaning of Section 509 of the Code or any successor provisions of the Code, as long as its private foundation status continues, the following provisions shall apply in the management of its affairs:

1. Each year the corporation shall distribute the income of the corporation, for the purposes specified in Article III, at such time and in such manner and amounts as not to subject the corporation to the tax imposed by Section 4942 of the Code or any successor provision of the Code;
2. The corporation shall not engage in any act of "self-dealing" (as defined in Section 4941(d) of the Code);
3. The corporation shall not sell, exchange, distribute, or otherwise dispose of any "excess business holdings" (as defined in Section 4943(c) of the Code, or any successor provision) which would give rise to any liability for the tax imposed by Section 4943(a) of the Code;
4. The corporation shall not make any investments which would jeopardize the carrying out of any of its exempt purposes (within the meaning of Section 4944 of the Code,

or any successor provision) and which would, therefore, give rise to any liability for the tax imposed by Section 4945(a) of the Code, or any successor provision.

5. The corporation shall not make any "taxable expenditures" (as defined in Section 4945(d) of the Code, or any successor provision) which would give rise to any liability for the tax imposed by Section 4945(a) of the Code.

ARTICLE XIII

Amendments

This corporation reserves the right to amend, alter, change, restate or repeal any provision contained in these Articles of Incorporation by the affirmative vote of a majority of the directors present at a meeting of the Board of Directors.

ARTICLE XIV

Transactions Involving Directors

1. No contracts or other transactions between this corporation and any other corporation, and no act of this corporation shall in any way be affected or invalidated by the fact that any director of this corporation is pecuniarily or otherwise interested in, or is a trustee, director, or officer of, such other corporation.

2. Any director, individually, or any firm of which any director may be a member, may be a party to, or may be pecuniarily or otherwise interested in, any contracts or transactions of the corporation; provided, that the fact that such director or such firm is so interested shall be disclosed to or shall have been known by the Board of Directors or a majority thereof and such director shall not participate in the Board of Director's deliberation of such contract or transaction and shall not vote on the approval of such contract or transaction.

ARTICLE XV

Relief from Liability

No director of the corporation shall be personally liable to the corporation for monetary damages for his or her conduct as a director on or after the date this Article becomes effective, except for (i) acts or omissions that involve intentional misconduct or a knowing violation of law by the director or (ii) any transaction from which the director will personally receive a benefit in money, property or services to which the director is not legally entitled. If, after the effective date of this Article, the Washington Nonprofit Corporation Act is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the corporation shall be eliminated or limited to the fullest extent permitted by the Washington Nonprofit Corporation Act, as so amended. Any amendment to or repeal of this Article shall not adversely affect any right or protection of a director of the corporation for or with respect to any acts or omission of such director occurring prior to such amendment or repeal.

ARTICLE XVI

Indemnification Of Directors

(1) Definitions: As used in this Article XVI:

(a) "Action" means any actual or threatened claim, suit or proceeding, whether civil, criminal, administrative or investigative, which arises from or is related to any act or omission of the Corporation or the Board of Directors.

(b) "Another Enterprise" means a corporation (other than the Corporation), partnership, joint venture, trust, association, committee, employee benefit plan or other group or entity.

(c) "Corporation" means KCTS Television and any predecessor to it and any constituent corporation (including any constituent of a constituent) absorbed by the Corporation in a consolidation or merger.

(d) "Director or Officer" means each person who is serving or who has served as a director or officer of the Corporation or, at the request of the Corporation, as a director, officer, partner, trustee, employee or agent of Another Enterprise.

(e) "Indemnatee" means each person who was, is or is threatened to be made a party to or is involved (including without limitation, as a witness) in an Action because the person is or was a Director or Officer of the Corporation.

(f) "Loss" means loss, liability, expenses (including attorneys' fees), judgments, fines, ERISA excise taxes or penalties and amounts to be paid in settlement, actually and reasonably incurred or suffered by Indemnatee in connection with an Action.

(2) Right to Indemnification: The Corporation shall indemnify and hold each Indemnatee harmless against any and all Loss except for Losses arising out of: (a) the Indemnatee's acts or omissions finally adjudged to be intentional misconduct or a knowing violation of law or (b) any transaction in which it is finally adjudged that the Indemnatee personally received a benefit in money, property or services to which the Indemnatee was not legally entitled. Except as provided in Section 4 of this Article, the Corporation shall not indemnify an Indemnatee in connection with an Action (or part thereof) that was not authorized by the board of directors of the Corporation. If the Washington Nonprofit Corporation Act authorizes further indemnification of directors or officers, then Directors and Officers of this Corporation shall be indemnified to the fullest extent permitted by the Washington Nonprofit Corporation Act.

(3) Burden of Proof and Procedure for Payment:

(a) The Indemnatee shall be presumed to be entitled to indemnification under this Article upon submission of a written claim (including a claim for expenses incurred in defending any Action in advance of its final disposition, where the undertaking in (b) below has been tendered to the Corporation), and thereafter the Corporation shall have the burden of proof to overcome the presumption that the Indemnatee is so entitled.

(b) The right to indemnification conferred in this Article shall include the right to be paid by the Corporation all expenses (including attorneys' fees) incurred in defending any Action in advance of its final disposition; provided, however, that the payment of such expenses

in advance of the final disposition of an Action shall be made upon delivery to the Corporation of an undertaking, by or on behalf of such Director or Officer, to repay all amounts so advanced if it shall ultimately be determined that such Director or Officer is not entitled to be indemnified under this Article or otherwise.

(4) **Right of Indemnitee to Bring Suit:** If a claim under this Article is not paid in full by the Corporation within 60 days after a written claim has been received by the Corporation, except in the case of a claim for expenses incurred in defending a proceeding in advance of its final disposition, in which case the applicable period shall be 20 days, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, to the extent successful in whole or in part, the Indemnitee shall be entitled to be paid also the expense of prosecuting such claim. Neither the failure of the Corporation (including its board of directors or independent legal counsel) to have made a determination prior to the commencement of such action that indemnification of or reimbursement or advancement of expenses to the claimant is proper in the circumstances, nor an actual determination by the Corporation (including its board of directors or independent legal counsel) that the Indemnitee is not entitled to indemnification or to the reimbursement or advancement of expenses, shall be a defense to the action or create a presumption that the Indemnitee is not so entitled.

(5) **Nonexclusivity of Rights:** The right to indemnification and the payment of expenses incurred in defending an Action in advance of its final disposition conferred in this Article shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the Articles of Incorporation, Bylaws, agreement, vote of disinterested directors or otherwise.

(6) **Insurance, Contracts and Funding:** The Corporation may maintain insurance, at its expense, to protect itself and any Director, Officer, employee or agent of the Corporation or Another Enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the Washington Nonprofit Corporation Act. The Corporation may, without further corporate action, enter into contracts with any Director or Officer of the Corporation in furtherance of the provisions of this Article and may create a trust fund, grant a security interest or use other means (including, without limitation, a letter of credit) to ensure the payment of such amounts as may be necessary to effect indemnification as provided in this Article.

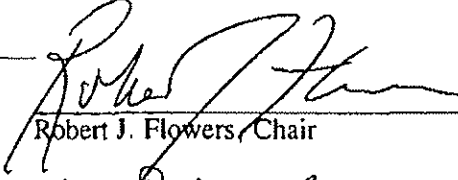
(7) **Indemnification of Employees and Agents of the Corporation:** The Corporation may, by action of its board of directors from time to time, provide indemnification and pay expenses in advance of the final disposition of an Action to employees and agents of the Corporation with the same scope and effect as the provisions of this Article with respect to the indemnification and advancement of expenses of Directors and Officers of the Corporation or pursuant to rights granted pursuant to, or provided by, the Washington Nonprofit Corporation Act or otherwise.

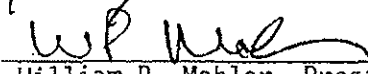
(8) **Contract Right:** Rights of indemnification under this Article shall continue as to an Indemnitee who has ceased to be a Director or Officer and shall inure to the benefit of his or her heirs, executors and administrators. The right to indemnification conferred in this Article shall be a contract right upon which each Director or Officer shall be presumed to have relied in determining to serve or to continue to serve as such. Any amendment to or repeal of this Article shall not adversely affect any right or protection of a Director or Officer of the Corporation for or with respect to any acts or omissions of such Director or Officer occurring prior to such amendment or repeal.

(9) Severability: If any provision of this Article or any application thereof shall be invalid, unenforceable or contrary to applicable law, the remainder of this Article or the application of such provisions to persons or circumstances other than those as to which it is held invalid, unenforceable or contrary to applicable law, shall not be affected thereby and shall continue in full force and effect.

DATED: _____

2/9/05


Robert J. Flowers, Chair


William P. Mohler, President